

******* SAMPLE --- Contracting Officers – Small Business Specialists**

FAR 19.705-5(A)(1) reads

*“Consider the contractor's compliance with the subcontracting plans submitted
on
previous contracts as a factor in determining contractor responsibility.”*

*Primes are encouraged to be creative, help support small business
use this as a guide.*

SMALL BUSINESS SUBCONTRACTING PLAN - SAMPLE OUTLINE*

IDENTIFICATION DATA

Contractor: _____

Address: _____

Solicitation or Contract Number: _____

Item/Service: _____

Total Amount of Contract (Including Options): \$ _____

Period of Contract Performance:(Day, Month and Year): _____

*Federal Acquisition Regulation (FAR), paragraph 19.708(b) prescribes the use of the clause at FAR 52.219-9, entitled “Small Business Subcontracting Plan,” currently dated October 2000 (*read and apply the most current clause requirements!*). The following is a suggested model for use when formulating such subcontracting plan. While this model plan has been designed to be consistent with FAR 52.219-9, other formats of a subcontracting plan may be acceptable. However, failure to include the essential information as exemplified in this model may be cause for either a delay in acceptance or the rejection of a bid or offer where the clause is applicable. Further, the use of this model is not intended to waive other requirements that may be applicable under FAR 52.219-9. "Subcontract," as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor called for supplies or services required for performance of the contract or subcontract.

1. **Type of Plan: (Check one)**

- ☐ **Individual Contract Plan:** A plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the contract.
- ☐ **Master Plan:** A plan that contains all the required elements of an individual contract plan, except goals, and may be incorporated into individual contract plans, provided the master plan has been approved.
- ☐ **Commercial Products Plan:** A plan including goals that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line).

2. **Goals:**

State in separate dollars and percentages the total planned subcontracting dollars for the use of small business, small disadvantaged business, HUBZone small business, veteran owned small business (**service disabled veteran owned small businesses may be included in the veteran owned small business category per FAR 52.219-9(d)(1) but the dollars and percentages are to be tracked for the SF 294 and SF 295 reports**) and women-owned business concerns as subcontractors. The offerors shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs. (For a contract with options, provide a separate matrix/statement for the basic contract and one for each option year.)

- A. Total estimated dollars value and percent of planned subcontracting with **small businesses (includes small disadvantaged, HUBZone, veteran owned and women-owned small businesses)**. (% of "C"):
- \$ _____ and _____ %
- B. Total estimated dollars and percent of planned subcontracting with **large businesses (all business concerns classified as "other than small")**. (% of "C"):
- \$ _____ and _____ %
- C. Total estimated dollars and percent value of **all planned subcontracting**; i.e., the sum of A and B above.
- \$ _____ and _____ %

D. Total estimated dollars and percent of planned subcontracting to small business concerns. (% of "C"):

\$ _____ and _____ %

E. Total estimated dollars and percent of planned subcontracting to small disadvantaged business concerns. (% of "C"):

\$ _____ and _____ %

F. Total estimated dollars and percent of planned subcontracting to HUBZone small business concerns. (% of "C"):

\$ _____ and _____ %

G. Total estimated dollars and percent of planned subcontracting to veteran owned small business concerns. (% of "C"):

\$ _____ and _____ %

H. Total estimated dollars and percent of planned subcontracting to women owned small business concerns. (% of "C"):

\$ _____ and _____ %

3. Provide a description of **all** the products and/or services to be subcontracted under this contract, and indicate the types of businesses supplying them i.e., **Other than small business (OTHER), small business (SB), small disadvantaged business (SDB), HUBZone small business (HUB), veteran owned small business (VOSB) and women-owned small business (WOSB):**

**** Contracting Officers must verify that all SDB and HUBZone firms for which credit is being sought are certified. State/local/independent certifications are not acceptable. Please check SBA's PRONet system for certified firms.

**** Primes, must notify the small businesses of the NAICS code and applicable size standard so that they can certify against it for that particular/individual part of the work being subcontracted. Normally not the code used on the prime contract.

Check all that apply.

<u>Firm</u>	<u>Product/Service</u>	<u>OTHER</u>	<u>SB</u>	<u>SDB</u>	<u>HUB</u>	<u>VOSB</u>	<u>WOSB</u>
_____		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Firm</u>	<u>Product/Service</u>	<u>OTHER</u>	<u>SB</u>	<u>SDB</u>	<u>HUB</u>	<u>VOSB</u>	<u>WOSB</u>

_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(Attach additional sheets if necessary)

4. A description of the method used to develop the subcontracting goals for small, small disadvantaged, HUBZone, veteran owned and women-owned small business concerns, i.e. explain the method and state the quantitative basis (in dollars) used to establish the percentage goals; how the areas and capabilities to be subcontracted to small, small disadvantaged, HUBZone, veteran owned and women-owned small business concerns were determined. Include any source lists used in the solicitation process (e.g., existing company source lists); the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration (SBA); the list of certified small disadvantaged business concerns of the SBA; the National Minority Purchasing Council Vendor Information Service and the Research and Information Division of the Minority Business Development Agency in the Department of Commerce or small, HUBZone, veteran owned, small disadvantaged, and women-owned small business trade associations. Your firm may rely on the information contained in PRO-Net as an accurate representation of a concern's size and ownership characteristics for the purposes of maintaining a small, HUBZone, veteran owned, small disadvantaged and women-owned small business **source list**. ****** Primes, must notify the small businesses of the NAICS code and applicable size standard so that they can certify against it for that particular/individual part of the work being subcontracted. Normally not the code used on the prime contract. The use of PRO-Net as your source list does not relieve your firm of its responsibilities (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities.**

5. Indirect costs have ☐ have not ☐ been included in the dollars and percentage subcontracting goals stated above. **(Check one).**
6. If indirect costs have been included, explain the method used to determine the proportionate share of such costs to be allocated as subcontracts to small, small disadvantaged, HUBZone, veteran owned and women-owned business concerns.

7. Program Administrator

Name, Title, position within the corporation structure, and duties and responsibilities of the employee who will administer the contractor's subcontracting program.

NAME: _____

TITLE: _____

ADDRESS: _____

TELEPHONE: _____ FAX: _____

DUTIES: Has general overall responsibility for the contractor's subcontracting program. I.e., developing, preparing, and performance relative to the requirements of this particular plan. These duties include, but are not limited to, the following activities:

- A. Developing and promoting company-wide policy initiatives that demonstrate the company's support for awarding contracts and subcontracts to small, small disadvantaged, HUBZone, veteran owned and women-owned small business concerns; and assure that small, small disadvantaged, HUBZone, veteran owned and women-owned small businesses are included on the source lists for solicitations for products and services they are capable for providing.
- B. Developing and maintaining bidders' lists of small, small disadvantaged, HUBZone, veteran owned and women-owned small business concerns from all possible sources.
- C. Ensuring periodic rotation of potential subcontractors on bidders' lists.
- D. Ensuring that procurement "packages" are designed to permit the maximum possible participation of small, small disadvantaged, HUBZone, veteran owned and women-owned small businesses.
- E. Make arrangements for the utilization of various sources for the identification of small, small disadvantaged, HUBZone, veteran owned and women-owned small businesses such as; the SBA's Procurement Marketing and Access Network (PRO-Net); the list of certified small disadvantaged business concerns of the SBA; the National Minority Purchasing Council Vendor Information Service; the Research and Information Division of the Office of Minority Business Development Agency in the Department of Commerce or small, small disadvantaged, HUBZone, veteran owned and women-owned small business trade associations; and Contact Federal agencies' Small and Disadvantaged Business Utilization Specialists (SADBUS). **NOTE:** A firm may rely on the information contained in PRO-NET as an accurate representation of a concern's size and ownership for the purpose of maintaining a small, small disadvantaged, HUBZone, veteran owned and women-owned business sources list. The Use of PRO-Net does not relieve your firm of its responsibilities such as outreach, assistance, counseling, or publicizing subcontracting opportunities.

- F. Overseeing the establishment and maintenance of contract and subcontract award records.
- G. Attending or arranging for the attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, Procurement conferences, etc.
- H. Ensure small, small disadvantaged, HUBZone, veteran owned and women-owned small business concerns are made aware of subcontracting opportunities and how to prepare responsive bids to the company.
- I. Conducting or arranging for the conduct of training for purchasing personnel regarding the intent and impact of Section 8(d) of the Small Business Act on purchasing procedures.
- J. Monitoring the company's performance and making any adjustments necessary to achieve the subcontract plan goals.
- K. Preparing and submitting timely required subcontract reports (Standard Form (SF) 294 and SF 295).
- L. Coordinating the company's activities during the conduct of compliance reviews by Federal agencies.
- M. Providing technical assistance; e.g., engineering, quality control, and managerial assistance to small, small disadvantaged, HUBZone, veteran owned and women-owned small business.
- N. Other duties:

8. **Equitable Opportunity**

Describe efforts the offeror will make to ensure the small, small disadvantaged, HUBZone, Veteran owned and women-owned small business concerns will have an equitable opportunity to compete for subcontracts. These efforts include, but are not limited to, the following activities:

A. Outreach efforts to obtain sources:

B. Internal efforts to guide and encourage purchasing personnel:

9. **Flow down clause**

The contractor agrees to include the provisions under FAR 52.219-8 (_____ **please read the solicitation clause** and insert most recent date of clause and title), "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities and that the offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction of any public facility) to adopt and comply with a plan similar to the plan required by FAR 52.219-9, "Small Business Subcontracting Plan." 8 (_____ **please read the solicitation clause** and insert most recent date of clause and title) (FAR 19.704(a).

10. **Reporting and Cooperation**

The contractor gives assurance of (1) cooperation in any studies or surveys that may be required; (2) submission of period reports which show compliance with the subcontracting plan; (3) submission of SF 294, "Subcontracting Report for Individual Contracts," and SF 295, "Summary Subcontract Report," in accordance with the instructions on the forms; and (4) ensuring that large business subcontractors with subcontracting plans agree to submit SF 294 and SF 295.

<u>Reporting Period</u>	<u>Report Due</u>	<u>Due Date</u>
Oct 1 - March 31	SF 294	04/30
Apr 1 - Sept 30	SF 294	10/30
Oct 1 - Sept 30	SF 295	10/30

Note: The due date includes the 30 day grace period.

ADDRESSES:

- (a) SF 294 is to be submitted to the cognizant contracting officer or as otherwise specified in the contract or the agency; and
- (b) SF 295 is to be submitted to the Office of Small and Disadvantaged Business Utilization of the procuring agency, or as otherwise specified in the contract or the agency; and to the cognizant SBA Commercial Market Representative (CMR).
- (c) Contracting Officers/Small Business Specialists when reviewing for compliance a primes books contact a local SBA CMR for assistance as needed.

The SF 294 is submitted semiannually and at contract completion. The report covers subcontract award data related to this contract. This report is not required for commercial plans.

The SF 295 encompasses all the contracts with the awarding agency. It must be submitted annually. If the reporting activity is covered by a commercial plan, the reporting activity must report annually all subcontract awards under that plan. All reports submitted at the close of each fiscal year (both individual and commercial plans) shall include a breakout, in the Contractor's format, of subcontract awards, in whole dollars, to small disadvantaged business concerns by North American Industry Classification System (NAICS). For a commercial plan, the contractor may obtain from each of its subcontractors a predominant NAICS and report all awards to the subcontractor under its predominant NAICS.

NOTE: It should be noted that the Department of Energy has a new Subcontracting Reporting System (SRS) through the Internet in which SF 294's and SF 295's are to be transmitted. Contractors must register with a valid DUNNS number with the cognizant contracting activity. The new SRS is found at <http://www.pr.doe.gov/srs/>. When the contractor registration is approved, the contractor will transmit the above mentioned forms using this method.

Record keeping

The following is a recitation of the types of records the contractor will maintain to demonstrate the procedures adopted to comply with the requirements and goals in the subcontracting plan. These records will include, but not be limited to, the following:

- A. If the prime contractor is not using PRO-Net as its source for small, small disadvantaged, HUBZone, veteran owned and women-owned small business concerns, list the names of guides and other data identifying such vendors.
- B. Organizations contacted in an attempt to locate small, small disadvantaged,

HUBZone, veteran owned and women-owned small business concerns.

- C. On a contract-by-contract basis, records on each subcontract solicitation resulting in an award of more than \$100,000 indicating (1) whether **small business** concerns were solicited, and if not, why not; (2) whether **small disadvantaged** business concerns were solicited, and if not, why not; (3) whether **HUBZone** small businesses were solicited, and if not, why not; (4) whether **veteran owned** small businesses were solicited, and if not, why not; (5) whether **women-owned** small business concerns were solicited, and if not, why not; and (6) if applicable, the reason that the award was not made to a small business concern.
- D. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small and minority business procurement conferences and trade fairs.
- E. Records to support internal guidance and encouragement provided to contract specialist through (1) workshops, seminars, training programs, incentive awards; and (2) monitoring of activities to evaluate compliance.
- F. On a contract-by-contract basis, records to support subcontract award data including the name, address, and business size of each subcontractor. (This item is not required on a contract-by-contract basis for company or division-wide commercial plans).
- G. Additional records:

12. In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following actions:

- A. Assist small business, HUBZone small business, small disadvantaged business, veteran owned small business and women-owned small business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential

- small business, HUBZone small business, veteran owned small business, small disadvantaged business, and women-owned small business subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.
- B. Provide adequate and timely consideration of the potentialities of small business, HUBZone small business, veteran owned small business, small disadvantaged business, and women-owned small business concerns in all “make-or-buy” decisions.
 - C. Counsel and discuss subcontracting opportunities with representatives of small business, HUBZone small business, small disadvantaged business, veteran owned small business and women-owned small business firms.
 - D. Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, HUBZone small, small disadvantaged, veteran owned or women-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor’s subcontracting plan.
13. The **Master Plan** on a plant or division-wide basis that contains all the elements, except goals, may be incorporated by reference as a part of the subcontracting plan required of the offeror by the clause, provided:
- A. The master plan has been approved.
 - B. The offeror ensures that the master plan is updated as necessary and provides copies of the approved master plan, including evidence of its approval, to the Contracting Officer.
 - C. Goals and any deviations from the master plan deemed necessary by the Contracting Officer to satisfy the requirements of this contract are set forth in the individual subcontracting plan.
14. The **Commercial Plan** is the preferred type of subcontracting plan for contractors furnishing commercial items. The commercial plan shall relate to the offeror’s planned subcontracting generally, for both commercial and Government business, rather than solely to the Government contract. Commercial plans are also preferred for subcontractors that provide commercial items under a prime contract, whether or not the prime contractor is supplying a commercial item.
15. **Prior compliance of the offeror with other such subcontracting plans under previous contracts will be considered by the Contracting Officer in determining the responsibility of the offeror for award of the contract.**

16. The **failure** of the Contractor or subcontractor to

comply in **good faith** with:

- A. The clause of the contract entitled “Utilization of Small Business Concerns” or;
- B. An approved plan is required by this clause,

Shall be a material breach of the contract.

This subcontracting plan was submitted by:

Signature: _____

Typed Name: _____

Title: _____

Date Prepared: _____

Phone No: _____

FAX No: _____

APPROVAL:

Agency: _____

Signature: _____

Typed Name: _____

Title: _____

Date Approved: _____

Phone No: _____

FAX No: _____